

Society, Environment and Council Development Executive Advisory Board Report

Ward(s) affected: All

Report of Director of Resources

Author: John Armstrong

Tel: 01483 444102

Email: john.armstrong@guildford.gov.uk

Lead Councillor(s) responsible: Matt Furniss / Michael Illman

Tel: 07891 022206 / 07742 731535

Email: matt.furniss@guildford.gov.uk / michael.illman@guildford.gov.uk

Date: 13 July 2017

## **Progress on Councillor involvement in the preparation of the Budget**

### **Executive Summary**

Councillors will recall that, in September 2016, both EABs agreed to establish a joint EAB Budget Working Group (JEABBWG), comprising four councillors appointed by each EAB. The terms of reference of the JEABBWG were approved as follows:

To consider and review for submission to the EABs, Executive and Council:

- (1) the draft General Fund and Housing Revenue Account revenue budgets, and
- (2) the draft General Fund and Housing Revenue Account capital programmes, including growth bids to inform the evaluation process.

The chairman was elected from the eight members on the working group, and the Lead Councillor for Finance attended meetings in an ex officio capacity.

The JEABBWG met in November 2016 and December 2016, where their comments against each of the bids were documented on a bid summary schedule and reported as part of the reports on the outline budget and capital programme to both the Society EAB meetings in November 2016 and January 2017 and then the Executive on 24 January 2017.

Meetings were organised and chaired by the Head of Financial Services. It was apparent that some members were expecting to review reports as well as bids; however, officers were still putting together reports and summaries at the time that bids were being provided to the JEABBWG. The issue was then raised that the JEABBWG was considering bids without having had sight of the overall summary position. This could be addressed by providing a presentation to the JEABBWG in lieu of a full report. For 2017-18, each EAB is asked, once again, to appoint four councillors who, together, will comprise the Joint EAB Budget Task Group. Councillors will recall that the JEABBWG was politically balanced as follows:

4 x Conservatives,  
2 x Liberal Democrats,  
1 x Guildford Greenbelt Group member, and  
1 x Labour member.

The councillors appointed to the JEABBWG last year were:

Councillor Colin Cross  
Councillor Mike Parsons  
Councillor Mike Piper  
Councillor David Quelch  
Councillor David Reeve  
Councillor Caroline Reeves  
Councillor Matthew Sarti  
Councillor James Walsh

If the EABs are happy to continue with this arrangement, it is suggested, based on the political composition of the two EABs, that the Borough EAB appoints three Conservative members and one Liberal Democrat member to the Task Group and the Society EAB, at its meeting on 13 July 2017 appoints to the Task Group one member each from the Conservative, Liberal Democrat, GGG and Labour groups.

The dates of meetings of the new Joint EAB Budget Task Group for 2017-18 will be confirmed by the Head of Financial Services.

**Recommendation:**

- (1) That a Joint EAB Budget Task Group be established, comprising of eight councillors (four from each EAB), with the following terms of reference:  
  
To consider and review for submission to the EABs, Executive and Council:
  - (i) the draft General Fund and Housing Revenue Account revenue budgets, and
  - (ii) the draft General Fund and Housing Revenue Account capital programmes, including growth bids to inform the evaluation process.
- (2) That this EAB appoints four councillors (one member from each of the Conservative, Liberal Democrat, Guildford Greenbelt Group and Labour groups) to serve on the Task Group for the 2017-18 municipal year.
- (3) That the Society EAB meeting scheduled for 30 November 2017 be brought forward to Thursday 23 November 2017 to enable the EAB's comments on the Outline Budget for 2018-19 to be referred to the Executive at its meeting on 28 November 2017.

**Reason for Recommendation:**

To ensure backbench councillor involvement in the budget setting process.

## **1. Purpose of Report**

- 1.1 To appoint councillors to the Joint EAB Budget Task Group for 2017-18.

## **2. Strategic Priorities**

- 2.1 The budget is the financial expression of the Council's strategic priorities set out in the Corporate Plan. The preparation of the budget therefore underpins all of the strategic priorities.

## **3. Background**

- 3.1 Following the review of governance arrangements in 2015, the Council established the two EABs and the Overview and Scrutiny Committee. The governance review findings specifically envisaged the EABs playing a vital role in budget preparation. In September 2016, both EABs agreed to the establishment of a Joint EAB Budget Working Group (JEABBWG) with the following terms of reference:

"To consider and review for submission to the EABs, Executive and Council:

- (i) the draft General Fund and Housing Revenue Account revenue budgets, and
  - (ii) the draft General Fund and Housing Revenue Account capital programmes, including growth bids to inform the evaluation process".
- 3.2 Each EAB was asked to appoint four councillors to serve on the JEABBWG for the 2016-17 municipal year, and to elect a chairman from among the eight working group members. The Lead Councillor for Finance was asked to attend meetings in an ex officio capacity.
- 3.3 The Head of Financial Services, in conjunction with the Lead Councillor for Finance, set the agenda for each meeting of the new working group. Other officers from Financial Services and other services attended as required.

## **4. Progress of the JEABBWG**

- 4.1 The JEABBWG met in November and December 2016 and councillors had an opportunity to ask questions and discuss the merits of each bid, and their comments were documented on a bid summary schedule which formed part of the reports on the outline budget and capital programme to both the Society EAB meeting and then the Executive at their meetings in January 2017. The agenda items covered at the JEABBWG meetings were:

- (1) Brief presentation on the Outline General Fund Revenue Budget
- (2) Evaluation of the revenue Growth Bids
- (3) Update on the Housing Revenue Account Budget
- (4) Review of capital programme bids

- 4.2 At the JEABBWG meetings, some members were expecting to review reports as well as bids. However, officers were still putting together reports and summaries at the time that bids were being provided to the JEABBWG. The issue was then raised that the JEABBWG was considering bids without having had sight of the overall summary position. It is suggested, in future, that the Head of Financial Services provides a presentation on the Budget summary position to the Task Group.
- 4.3 Once the composition and membership of the Joint EAB Budget Task Group has been confirmed, the Head of Financial Services will fix dates for meetings
- 4.4 In 2016-17, the Society EAB considered the Outline Budget for 2017-18 at its meeting on 21 November and referred its comments to the Executive on 29 November 2016. Councillors will note that the Executive is scheduled to consider the Outline Budget for 2018-19 at its meeting on 28 November 2017, but the Society EAB is not due to meet until 30 November. To enable consideration of the Outline Budget and submission of comments to the Executive, it is suggested that the 30 November 2017 meeting be brought forward to Thursday 23 November 2017. This will mean that the meeting of the Corporate Governance and Standards Committee scheduled for 23 November will need to be put back a week to 30 November 2017. The chairman and vice-chairman of that Committee have been consulted on this and are happy to move the Corporate Governance and Standards Committee meeting to 30 November.

## **5. Financial Implications**

- 5.1 There are no financial implications associated with the proposals in this report.

## **6. Legal Implications**

- 6.1 There are no legal implications associated with the proposals in this report.

## **7. Human Resource Implications**

- 7.1 There are no HR implications associated with the proposals in this report.

## **8. Summary of Options**

- 8.1 In summary, the options are as follows:

- (1) To continue with the arrangements for a Joint EAB Budget Task Group as recommended, in order to provide backbench councillor involvement in the preparation of the budget.
- (2) To discontinue such arrangements, which would mean that there would be no formal means by which backbench councillors could get involved in detail in budget preparation.

**9. Conclusion**

- 9.1 The EAB is asked to confirm its agreement to the proposals outlined in this report so that backbench councillors can continue to assist the Lead Councillor for Finance and officers in their work on the preparation of the draft budget each year.
- 9.2 It would be very helpful if each political group could submit their respective nominations in respect of this EAB's four nominees to the Task Group in advance of this meeting.

**10. Background Papers**

None

**11. Appendices**

None